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SUBJECT: KAZAKHSTAN - FAA DISCUSSES CIVIL AVIATION ISSUES WITH

GOVERNMENT, AIRPORT, AND AIRLINE REPRESENTATIVES

Summary

11. (SBU) Brian Staurseth, Moscow-based Federal Aviation Administration (FAA) Senior Representative for the CIS, visited Astana from August 25-28, 2008 for meetings with Mukhit Kubayev, Chairman of the Civil Aviation Committee; Marat Dautaliyev, Deputy Director General of KazAeroNavigatsiya; Johari Bin Karim, Deputy President of Astana International Airport; and Gerhard Coetzee, Vice President for Corporate Safety of Air Astana. The purpose of the visit was to inform civil aviation officials about the FAA's standards and procedures for carriers to service the United States, to discuss the FAA's International Aviation Safety Assessment (IASA) program, and to learn about the state of civil aviation safety in Kazakhstan. Although Kazakhstani officials reassured Staurseth that they would implement European flight safety standards by the end of the year, Air Astana representative Coetzee was skeptical. He maintained that Kazakhstani civil aviation authorities have not been given sufficient support, staff, or resources to carry out their mission and noted that the government has declined offers of assistance to carry out a flight obstacle survey. End Summary.

Ambitious Airport Upgrade Program

- 12. (SBU) Mukhit Kubayev, Chairman of the Civil Aviation Committee, told visiting FAA representative Brian Staurseth that nine of Kazakhstan's 14 international airports meet the standards of the International Civil Aviation Organization (ICAO). Kubayev claimed that the Civil Aviation Committee, with a staff of 35 people, including no more than 10 safety inspectors, operates according to European Joint Aviation Regulations-European Aviation Safety Agency (JAR-EASA) standards. The Civil Aviation Committee has issued airworthiness certificates to more than 800 Kazakhstan registered aircraft and issued air operator certificates (AOCs) to more than 50 carriers operating in Kazakhstan. (Note: The purpose of the FAA visit was not to audit the civil aviation authority; an ICAO audit is scheduled for May 2009. End Note.)
- $\P3$. (SBU) Kubayev also noted that the Kazakhstan government has carried out an ambitious program to upgrade airport facilities around the country, including a new terminal in Astana, a runway in Aktau, and renovations at airports in Kyzylorda and Aktobe. The government has been successful in leveraging international financial support to carry out these modernization projects. For example, the Japanese Bank for Reconstruction and Development provided a 40-year loan of \$250 million to finance renovations at Astana Airport in 12005. There is no civil aviation transport agreement between the USG and Kazakhstani government and currently no U.S. air carriers provide passenger service to Kazakhstan, although FedEx has an agreement to provide cargo service. Kubayev said the Kazakhstanis would be willing to offer incentives to a U.S. carrier to offer non-stop service from Astana or Almaty to New York. (Comment: Based on our observations of passenger traffic to the U.S., we have doubts that such a route would be profitable. End Comment.) Kubayev also noted that the Ministry of Transport has decided to fully phase out ageing Soviet-built aircraft by 2011 in favor of new Western-built ones.

- 14. (SBU) Air Astana Vice-President for Corporate Safety Gerhard Coetzee told Staurseth that Air Astana would be interested in a code share agreement with a U.S. carrier -- which would trigger an FAA International Aviation Safety Assessment of Kazakhstan's Civilian Aviation Committee. Air Astana is not, however, actively pursuing a direct route of its own to New York or any other U.S. city. Air Astana -- owned 51 percent by the Kazakhstani government and 49 percent by BAe Systems -- operates 21 aircraft (five Boeing 757s, two 767s, 10 Airbuses, and five Fokker 50s) and accounts for more than 75 percent of all Kazakhstani air traffic. (Note: Other major Kazakhstani airlines include Scat Air, headquartered in Shymkent, with 30 Antonov and Yakovlev aircraft; Saychat, which has routes to Israel; and Tulpar, which has 15 Antonov and Yakovlev aircraft that it operates throughout the Central Asia region. End Note.) According to Coetzee, Air Astana operates in full compliance with ICAO and industry IOSA standards and often provides informal technical assistance to the Civil Aviation Committee on aviation safety and other matters. The airline maintains a roughly 50-50 ratio of international to local staff. Kazakhstanis occupy leadership positions in the finance, legal, human resources, procurement, and public relations departments.
- 15. (SBU) Coetzee was extremely skeptical that Kazakhstani civil aviation authorities would be able to meet Prime Minister Masimov's order to fully implement JAR-EASA standards by the end of the year; he estimated it will actually take at least five years. Simply to translate the standards by the end of the year would be an impressive feat. Coetzee was quite emphatic in arguing that

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Kazakhstani civil aviation authorities have not been given sufficient support, staff, or resources to carry out their mission. There are, for example, no departments for air worthiness, licensing, or aeronautical navigation at the Civil Aviation Committee. According to Coetzee, the Committee has no one on staff qualified to oversee check airmen and provide safety guarantees on inspected aircraft. "Someone has got to get the message to those above that the civil aviation authority is severely under resourced," he said.

16. (SBU) Coetzee lamented the government's decision in May 2008 to decline the (gratis) offer of U.S. specialists to conduct a systematic survey using World Geodetic Standard (WGS) 84 of five airports in Kazakhstan. This survey is standard practice in most countries and would help to significantly increase air safety in cases where airports have no reliable data on obstacles to aircraft. A survey team was sent home after the Ministry of Defense raised objections based on national security concerns, Coetzee maintained. He said that Azat Bekturov, Vice Minister of Transportation and an Air Astana Board member, has established a committee to investigate the matter and will raise it with the Ministry of Defense in the near future. Coetzee did not think that there was a major safety or commercial concern related to Kazakhstan's non-adoption of ICAO RVSM standards of 300 meters (recently adopted by China and long existing in the EU), although Staurseth suggested that the existence of different altitude structures might complicate air traffic transitions from Europe to China through Kazakhstan.

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